



Report to County Council

From: Peter Dutchak, Director of Engineering Services

Date: June 24, 2025

Subject: Village of Fingal Reconstruction – Funding Agreement

Recommendation(s):

THAT staff be directed and authorized to execute the Transfer Payment Agreement with the Ministry of Infrastructure for the reconstruction of County roads within the Village of Fingal.

Introduction:

The County of Elgin was successful with the funding application submission under the Ministry of Infrastructure's Housing-Enabling Core Servicing (HECS) stream of the Municipal Housing Infrastructure Program (MHIP) for the reconstruction of Union Road and Fingal Line within the Village of Fingal planned in 2026 and 2027. A comprehensive Transfer Payment Agreement (attached to this report) must now be entered into with the Province to secure the project funding and is requested to be executed and received by the Ministry of Infrastructure by June 27th, 2025.

Background and Discussion:

The approved 10 year capital plan has scheduled the reconstruction of Union Road (CR20) and Fingal Line (CR16) during 2026 and 2027 and in coordination with the Township of Southwold who has scheduled servicing infrastructure investments within the village at that time.

In September 2024, the Province released their Municipal Housing Infrastructure Program (MHIP): Housing Enabling Core Servicing Stream (HECS) funding program and staff submitted an application for the reconstruction of Fingal which aligned perfectly with the program's eligibility and timeline requirements.

In January 2025 the County of Elgin was confidentially notified that our funding application was successful in securing a maximum of \$3,697,500 (representing 50% of the total project cost) for the reconstruction of County roads within the Village of Fingal.

On May 27th, 2025 the Ministry of Infrastructure provided a Transfer Payment Agreement for the approved project with a request that it be executed and returned prior to June 27th, 2025.

There are some mandatory program milestone timelines that our project must meet to secure funding. County staff continue to work with staff at the Township of Southwold and the project consultant (AECOM) to meet these program timelines. One of these milestone dates requires construction contract award before the end of September 2025. The design team is actively meeting with developers to define and coordinate servicing solutions in a holistic manner for the benefit of all stakeholders.

A construction tender awarded by Council prior to the end of September 2025 may not be achievable when accounting for the procurement and Council meeting approval timeline which requires approximately 9 weeks minimum between advertising a tender and gaining Council approval of the successful bidder. All efforts will be made to meet the tight schedule, however, staff may be reporting to County Council at the August meeting requesting administrative approval for staff to be able to award the construction tender in order to meet the program requirements and report to Council afterwards.

Financial Implications:

Approximately \$6M has been included within the 2025-2027 budgets to fund the reconstruction of County roads through the Village of Fingal. With this funding award of up to \$3.7M, a project surplus is anticipated. Once the construction tender is awarded and actual costs are known, the capital budget can be reallocated accordingly.

Advancement of the Strategic Plan:

The infrastructure investment activities that result from completing this work develop, enhance and maintain county transportation assets to support current and future community needs, thus supporting Councils strategic strategy of sustainable community growth.

Local Municipal Partner Impact:

The reconstruction of Fingal has been purposely scheduled in the capital plan to coincide with the installation of services planned by the Township of Southwold in order to reduce project costs and minimize disruption to the public. County and Township staff will continue to work closely and collaboratively throughout this project.

Communication Requirements:

A project funding announcement is being coordinated with the MPP's office. Once the construction contractor is secured and a construction schedule is known, a project website will be developed to inform the public and stakeholders about the project details and impacts to traffic, utilizing the County's Engage Elgin web portal and the Municipal 511 platform.

Conclusion:

The County has secured funding through the Ministry of Infrastructure's Housing-Enabling Core Servicing (HECS) stream of the Municipal Housing Infrastructure Program (MHIP) for the reconstruction of Union Road and Fingal Line within the Village of Fingal planned in 2026 and 2027. A comprehensive Transfer Payment Agreement must now be entered into with the Province to secure the project funding and is requested to be received by the Ministry of Infrastructure by June 27th, 2025.

All of which is Respectfully Submitted

Approved for Submission

Peter Dutchak
Director of Engineering Services

Blaine Parkin
Chief Administrative Officer/Clerk